

Message Text

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PAGE 01 LAHORE 00961 251007Z

ACTION COME-00

INFO OCT-01 EA-12 NEA-10 ISO-00 AID-05 CIAE-00 EB-08

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04

OPIC-06 SP-02 LAB-04 SIL-01 OMB-01 /077 W

-----048957 251426Z /50

R 250735Z AUG 77

FM AMCONSUL LAHORE

TO SECSTATE WASHDC 1381

INFO AMEMBASSY ISLAMABAD

AMCONSUL KARACHI

AMEMBASSY TOKYO

UNCLAS LAHORE 0961

FOR COMMERCE MAJOR PROJECTS

E.O. 11652: N/A

TAGS: BENC, PK, JA

SUBJ: MAJOR PROJECT: NEW STEEL MILL

REF: STATE 188452

1. PAKISTAN ENGINEERING COMPANY (PECO) IS PLANNING TO SET UP A MINI STEEL MILL AT ITS LAHORE SITE TO PRODUCE SPONGE IRON FROM LOCAL ORE BY REDUCTION METHOD WITH NATURAL GAS. PROPOSED ANNUAL CAPACITY OF MILL IS 400,000 TONS OF WHICH PECO ITSELF PLANS TO CONVERT 200,000 TONS INTO STEEL BILLETS AND SELL 200,000 TONS TO OTHERS AS SPONGE IRON. ESTIMATED COST OF PROJECT IS BETWEEN DOLS150 MILLION TO DOLS200 MILLION.

2. PECO'S OFFICIAL WHO PREPARED PRE-INVESTMENT STUDY TOLD CONGEN REPRESENTATIVE THAT IT HAS BEEN APPROVED BY GOVERNMENT OF PAKISTAN. ACCORDING TO PECO'S OFFICIAL, MITSUI OF JAPAN (HOLDING RIGHTS FOR MIDREX SYSTEM FOR ASIA) WAS NOT INVOLVED IN PREPARATION OF PRE-INVESTMENT STUDY. HOWEVER, MITSUI HAS EXPRESSED TO PECO ITS INTEREST IN DOING THE FEASIBILITY STUDY AND SUPPLYING MACHINERY.

UNCLASSIFIED

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PAGE 02 LAHORE 00961 251007Z

PECO ASSUMES THAT IF THE MACHINERY IS PROCURED FROM A JAPANESE MANUFACTURER, JAPANESE PLANT CONSULTING INSTITUTE WOULD DO FEASIBILITY STUDY WITHOUT COST.

3. PECO HAS NOT FLOATED INTERNATIONAL TENDER INQUIRY THROUGH PRESS OR OTHERWISE, BUT CLAIMS TO HAVE WRITTEN DIRECTLY TO SEVERAL OF ITS FOREIGN CONTACTS RE. FEASIBILITY

STUDY OF THE MILL. IT HAS NOT SET A DEADLINE FOR RECEIPT OF SUCH OFFERS AND WOULD BE PLEASED TO GIVE FURTHER DETAILS ON PROJECT TO ANY US ORGANIZATION WHICH MIGHT BE INTERESTED AND WHICH SHOULD CONTACT COMPANY DIRECTLY.

4. IN ADDITION TO INFORMING PULLMAN SWINDELL, DEPARTMENT MAY WISH TO DISSEMINATE THIS AS MAJOR TRADE OPPORTUNITY:

CONTACT: DR. M. ABDUL QAYYUM
GENERAL MANAGER
PAKISTAN ENGINEERING COMPANY, LIMITED
KOT LAKHPAT WORKS
LAHORE, PAKISTAN
CABLE: BECOIND
TELEX: PECO-4750
TEL: 350111

5. PECO IS PAKISTAN FEDERAL GOVERNMENT ENTITY AND IS VERY LARGE MANUFACTURER OF MACHINE TOOLS, DIESEL ENGINES, PUMPS, TEXTILE AND CONSTRUCTION MACHINERY, AGRICULTURAL IMPLEMENTS, BICYCLES, ELECTRIC MOTORS, STEEL STRUCTURES AND ROLLED STEEL MATERIALS, AND IRON AND STEEL CASTINGS. IT IS RECOMMENDED AS AN EXCELLENT TRADE CONTACT.
GAMON

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770307-0610
Format: TEL
From: LAHORE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770824/aaaaatz.tel
Line Count: 86
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Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8a687053-c288-dd11-92da-001cc4696bcc
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Reference: 77 STATE 188452
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1488933
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECT: NEW STEEL MILL
TAGS: BENC, PK, JA
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/8a687053-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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